



GENERAL ASSEMBLY

COMMONWEALTH OF KENTUCKY

2006 REGULAR SESSION

HOUSE BILL NO. 508

AS ENACTED

MONDAY, MARCH 20, 2006

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TREY GRAYSON
SECRETARY OF STATE
COMMONWEALTH OF KENTUCKY
BY R. Adler

AN ACT relating to eminent domain.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS 416.540 TO 416.680 IS CREATED TO
READ AS FOLLOWS:

(1) Every grant of authority contained in the Kentucky Revised Statutes to exercise
the power of eminent domain shall be subject to the condition that the authority
be exercised only to effectuate a public use of the condemned property.

(2) Public use shall mean the following:

(a) Ownership of the property by the Commonwealth, a political subdivision of
the Commonwealth, or other governmental entity;

(b) The possession, occupation, or enjoyment of the property as a matter of
right by the Commonwealth, a political subdivision of the Commonwealth,
or other governmental entity;

(c) The acquisition and transfer of property for the purpose of eliminating
blighted areas, slum areas, or substandard and insanitary areas in
accordance with KRS Chapter 99;

(d) The use of the property for the creation or operation of public utilities or
common carriers; or

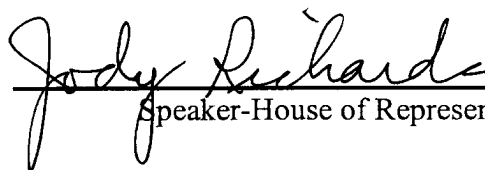
(e) Other use of the property expressly authorized by statute.

(3) No provision in the law of the Commonwealth shall be construed to authorize the
condemnation of private property for transfer to a private owner for the purpose
of economic development that benefits the general public only indirectly, such as
by increasing the tax base, tax revenues, employment, or by promoting the
general economic health of the community. However, this provision shall not
prohibit the sale or lease of property to private entities that occupy an incidental
area within a public project or building, provided that no property may be
condemned primarily for the purpose of facilitating an incidental private use.

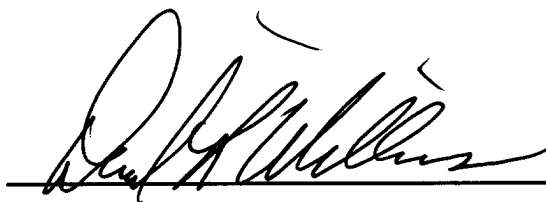
1 (4) The exercise of the power of eminent domain for the acquisition of property
2 financed by state road funds or federal highway funds shall be exempt from the
3 provisions of this section.

4 Section 2. KRS 416.540 is amended to read as follows:

- 5 (1) "Condemn" means to take private property for a public ~~use~~[purpose] under the right
6 of eminent domain;
- 7 (2) "Condemnor" shall mean and include any person, corporation or entity, including
8 the Commonwealth of Kentucky, its agencies and departments, county, municipality
9 and taxing district authorized and empowered by law to exercise the right of
10 eminent domain;
- 11 (3) "Condemnee" means the owner of the property interest being taken;
- 12 (4) "Court" means the Circuit Court;
- 13 (5) "Property" means real or personal property, or both, of any nature or kind that is
14 subject to condemnation;
- 15 (6) "Eminent domain" means the right of the Commonwealth to take for a public
16 ~~use~~[purpose] and shall include the right of private persons, corporations or business
17 entities to do so under authority of law.

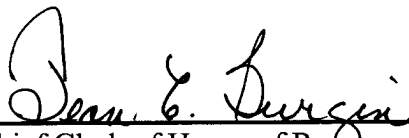


Speaker-House of Representatives



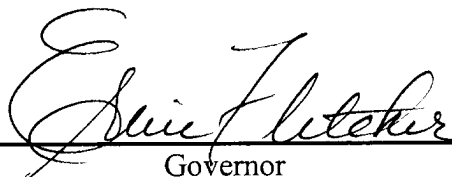
President of the Senate

Attest:



Chief Clerk of House of Representatives

Approved



Governor

Date

